

1 Q. Please compare the \$135 million capital costs in CA-39 for a 40 MW plant  
2 (\$3,375/kW), with the estimated capital costs of \$2,608/kW at Page 15 of  
3 CA-36. Please separate out transmission and terminal stations, inflation,  
4 interest during construction, etc.

5  
6

7 A. The \$135 million capital cost for Granite Canal in CA-39 is the total in-service  
8 cost, including escalation and AFUDC. The \$2,608/kW at Page 15 of CA-36  
9 refers to the direct capital costs (excluding escalation and AFUDC)  
10 expressed in January 1999 dollars. These estimates are compared in the  
11 following table:

Cost Category	40 MW Granite Canal (CA-39) In-service Jun 2003	42 MW Granite Canal (Page 15 of CA-36 NLH) Direct 1999\$
	(\$,000)	(\$,000)
Main Development	100,190	87,756
Transmission & Terminal Stations	14,190	11,985
Corporate Overheads	670	546
Contingency	9,150	9,260
Sub-Total (Directs)		109,547 or \$2,608 / kW
AFUDC	10,350	
Escalation	(included)	
TOTAL	134,550 or \$3,364 / kW	